



**MARIN COUNTY**  
**COMMUNITY DEVELOPMENT AGENCY**  
FEDERAL GRANTS DIVISION

ALEX HINDS, DIRECTOR

December 12, 2006

Board of Supervisors  
County of Marin

**SUBJECT:** Community Development Block Grant (CDBG) Agreement  
Fireside Housing  
(Fireside Affordable Housing Associates)  
115 Shoreline Highway, Mill Valley Area

**RECOMMENDATIONS:**

1. Authorize President to execute a Community Development Block Grant Program (CDBG) agreement, subject to County Counsel approval, in the amount of \$194,477.56 (of which \$65,800 has been included in a previous contract for this project), with Fireside Affordable Housing Associates, for the development of Fireside Housing.
2. Authorize President, subject to County Counsel review, to execute subordination agreement(s) and related documents required by other sources of financing for this project.

**SUMMARY:** On May 9, 2000, May 7, 2002, May 13, 2003, and May 9, 2006, the Marin County Board of Supervisors allocated a total of \$302,590.56 in CDBG Program funding for the development of the Fireside Housing at the site of the Fireside Motel in the Mill Valley area. Of this total, \$194,477.56 will be loaned to the project sponsor for development costs and \$108,113 will be expended directly by the County for relocation costs. A previous \$65,800 CDBG agreement for this project, dated August 26, 2003, will be replaced by the attached agreement.

In order to obtain low-income housing tax credits, Citizens Housing Corporation must develop this project through a limited partnership which will own the project. The attached Agreement changes the HOME borrower from Citizens Housing Corporation to Fireside Affordable Housing Associates, a limited partnership organized and managed by Citizens Housing Corporation.

The attached Agreement formalizes the relationship between the County and Fireside Affordable Housing Associates for the implementation of this project and specifies the federal requirements which the sponsoring group must carry out. The signature of the Board President on three copies of the Agreement will enable the sponsoring organization to continue work on this project.

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Mailing Address: 3501 Civic Center Drive, Room 308, San Rafael,  
California 94903-4157

Office Location: 65 Mitchell Boulevard, Second Floor, San Rafael,  
California

Telephone (415) 499-6268 - TDD (415) 499-6172 - Fax (415) 507-  
4061

It has been the County's practice to subordinate CDBG financing to other sources of project financing. The other lenders for this project may require subordination agreement(s) for the CDBG funding. Therefore, staff recommends that the Board delegate to the President the authority to execute subordination agreement(s) and related documents required by other sources of financing for this project.

**FISCAL IMPACT:** Because the County's contribution to this project is in the form of federal CDBG funds, there is no financial impact on County general funds.

**REVIEWED BY:**

<input type="checkbox"/>	Auditor Controller	<input checked="" type="checkbox"/>	Not Applicable
<input checked="" type="checkbox"/>	County Counsel [pending]	<input type="checkbox"/>	Not Applicable
<input type="checkbox"/>	Human Resources	<input checked="" type="checkbox"/>	Not Applicable

**Comment:** (standard contract form)

Roy Bateman  
Community Development Coordinator